

4 T H Q U A R T E R

2004 Operational Report to Congress

J U L Y - S E P T E M B E R 2 0 0 4

Highlights

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- TVA's management of the Tennessee River system averted an estimated \$29.5 million in flood damage in the region through September of 2004. TVA was also credited by the U.S. Army Corps of Engineers for averting almost \$1 million in damage at Cairo, Illinois. By closely tracking the paths of Hurricanes Charley, Frances, Ivan, and Jeanne during August and September, TVA took strategic actions to prepare the reservoir system for the storms before they moved into the Valley.
- During the 2004 fiscal year, TVA worked with regional, state, and local officials to help attract or retain 50,338 jobs and leverage investments of \$2 billion for the region's economy. TVA provided economic development loans totaling \$13.4 million to Valley companies through its distributor partnerships with 158 local utilities.
- TVA ended fiscal year 2004 with net income of \$386 million on operating revenues of more than \$7.5 billion. Operating revenues increased by \$580 million, or 8 percent, higher than the previous year, primarily due to a rate increase implemented in October 2003 and increased sales volume related to population growth, increased industrial demand, and a general increase in the demand for electricity across the region.
- TVA reduced its total financing obligations by \$277 million for the fiscal year ended September 30, 2004. One of TVA's goals is to reduce total financing obligations while maintaining the necessary liquidity to provide an affordable, reliable power supply; improve the quality of life in the region; and foster sustainable economic growth.
- Interest and other financing expense on total financing obligations, as a percent of total power system revenues, was 18.6 percent for the fiscal year ended September 30, 2004. This represents the lowest level of annual financing cost as a percentage of revenues in more than 20 years.
- TVA met an all-time system peak load of 29,966 MW* on July 13, 2004, at 5 p.m. CDT, when the average temperature across the region was 92°F. Reflecting the region's growth, this record load surpassed both the previous summer peak and the previous winter peak set in January 2003.



*Audited figure. Unaudited figure previously reported was 29,868 MW.

- The TVA transmission system operated at a 99.999 percent reliability rate during the 2004 fiscal year for the fifth consecutive year, providing TVA power customers with some of the most reliable service in the nation.
- A TVA distributor, Warren Rural Electric Cooperative Corporation (WRECC), signed a 33-year full requirements contract to become a part-owner of East Kentucky Power Cooperative effective April 1, 2008. TVA will continue to honor its contract with WRECC until that time. Power sales to WRECC in FY 2003 represented about 1 percent of TVA's total kilowatt-hour sales.
- TVA implemented a Megasite Certification Program in response to the growing need for large industrial properties, or "megasites," for automotive manufacturing and assembly plants. More than 25 sites around the Valley were evaluated, and two sites – one in Hopkinsville, Kentucky, and one in Columbus, Mississippi – were certified in August. TVA, distributors of TVA power, and economic development partners will market the certified sites to potential auto manufacturing and assembly plants and other targeted industries.
- TVA provided Synchronist, a tool for business retention and industrial expansion programs, to communities throughout the Valley. The software and interview methodology enables community leaders to conduct visits with existing industries to identify ways to help them grow and thrive in their communities.

ENERGY

- Hydro generation for the fourth quarter was 120 percent of normal, mainly due to high rainfall and runoff levels in September.
- Net generation from the fossil system was 94.6 million megawatt-hours, which marked the 12th consecutive year of generation greater than 90 million megawatt-hours.
- The 59 fossil-fueled generating units in the TVA power system achieved their lowest-ever level of unplanned outages during the summer of 2004. The record performance was aided by three new records for continuous performance at units at the Johnsonville, Shawnee, and Widows Creek plants. For the fiscal year, a total of 12 fossil units established continuous run records.
- Safety records continued to grow during FY 2004. John Sevier Fossil Plant employees have worked more than 14 years without incurring a lost-time injury, and Colbert Fossil Plant has compiled 6.1 million work-hours without a lost-time injury. Both are records for TVA fossil plants.
- In the nuclear program, the 2004 fiscal year marked a major safety accomplishment. The all-injury rate at the end of August for TVA Nuclear was 0.51 per 200,000 employee hours worked, the lowest rate recorded.

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- In August, employees at Sequoyah Nuclear Plant completed a first-of-its-kind project for TVA nuclear plants by placing spent nuclear fuel into dry-cask storage. Three casks of used fuel were placed in a special aboveground storage facility at the plant site. Onsite storage is necessary because of the failure of the Department of Energy to provide a national storage facility.
- In September, *Platts Nucleonics Week* ranked Sequoyah and Browns Ferry Nuclear plants as the two most efficient U.S. nuclear generators in production costs reported for the three-year period from 2001-2003. For 2003, the most recent period for which such information is available, all three TVA nuclear plants, Sequoyah, Browns Ferry, and Watts Bar, ranked among the top 12 most efficient.
- The Browns Ferry Unit 1 restart project passed the halfway milestone during the quarter, on schedule and on budget. Restarting the unit is expected to provide cost-effective, emission-free generating capacity to help meet growing power demand and maintain a strong reserve margin.
- Automation was completed on six units at Pickwick Dam. Other hydro plants where automation activities were completed this year include Boone, Ft. Patrick Henry, Wheeler, and Ocoee 1. TVA now has 95 of its 109 hydro units under automated control.
- Hydro modernization (HMOD) of Watts Bar Hydro Unit 2 was completed two days ahead of schedule and within budget. The modifications increased unit generating capacity by 4.6 MW and improved unit efficiency by 2.3 percent.
- A new tool for analyzing potential reliability problems on the transmission system was placed into operation in September. Installation of the Telegyr State Estimator responds to a key recommendation issued by the North American Electric Reliability Council (NERC) following the August 2003 blackout. The technology alerts operators of potential and emerging problems.
- Six transmission delivery point projects were placed into service, and about 17 miles of transmission line were built.
- TVA's Reliability Authority implemented a Level 5B NERC Transmission Loading Relief action on August 28 because of high loading on the lines in the Shawnee/Marshall area. This was TVA's first Level 5 action, which impacts firm transmission reservations. Prompt action by TVA system operators averted a potentially critical situation for bulk electricity transmission.
- In FY04 transmission system employees reduced the preventive maintenance backlog on transmission equipment from 8,000 work hours to zero. The organization also reached a milestone of three million work-hours without a lost time accident.
- During FY04 transmission system staff visited 23 directly served industries in Alabama, Mississippi, Tennessee, and Kentucky and provided 27 recommendations for improving power quality.

- TVA began discussions with the Tennessee Valley Public Power Association on proposals for long-term contracts. A proposed schedule calls for having a long-term contract available on April 1.
- TVA's *energy right*® Heat Pump Program continued a low-interest loan promotion to encourage the installation of high-efficiency heat pumps in the Valley. Results so far show high-efficiency heat pumps have increased to 72 percent of total installations from approximately 46 percent.

ENVIRONMENT

- The operation of 18 selective catalytic reduction systems at TVA fossil plants removed more than 70,000 tons of nitrogen oxide (NO_x) emissions during the summer ozone season. Ten of the systems were added in 2004, helping achieve a 70 percent reduction in NO_x emissions compared to 1995 levels. By 2005, the NO_x emissions will be 75 percent less. NO_x reduction systems are now installed on 12 units in Tennessee, three in Alabama, and three in Kentucky.
- TVA's Air Quality Forecasting Team has developed a next-day forecasting method for fine particulate levels in the Tennessee Valley. The forecasting is being tested and implemented by state and local air regulatory and public health partners in Memphis, Nashville, Chattanooga, Knoxville, and the Tri-Cities in Tennessee; the Great Smoky Mountains National Park; and Huntsville/Decatur in Alabama. The Air Quality Forecasting Team is part of an ongoing effort to provide technical support to improve regional air quality.
- The Tennessee Valley averaged 14.3 inches of rainfall, which was 121 percent of normal, and 4.6 inches of runoff, which was 188 percent of normal, during the quarter. Rainfall from the remnants of Hurricanes Frances and Ivan made it the wettest September on record for the past 130 years.
- Target flows from Chickamauga were maintained through Labor Day weekend in accordance with TVA's new reservoir operations policy.
- When the remnants of Hurricane Ivan reached the Tennessee Valley, the Army Corps of Engineers closed Chickamauga, Watts Bar, Fort Loudoun, and Guntersville locks when flows reached the emergency phase criteria established in the Tennessee River Waterway Management Plan. The Coast Guard issued a marine travel advisory for the Tennessee River and closed the Tennessee River Gorge area to boat traffic. Locks were reopened after flows fell below the action criteria.

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- TVA biologists, the North Carolina Department of Public Health, and the University of Alabama are conducting a mosquito monitoring study in the Asheville, North Carolina, area. The state will test for viruses that may impact the public health of North Carolina citizens living near TVA reservoirs. In addition, this partnership will result in an extensive larval survey of the newly introduced exotic mosquito species *Oclerotatus japonicus* to determine the population's current range in the region.
- TVA published two new issues of *On the Air*. "Dust in the Wind" describes several years of regional data that show significant improvements in airborne concentrations of particulates. "The ARIES Study: Questions About the Health Effects of Fine Particles" discusses common questionable assumptions made about fine particles and compares them to results from the ongoing Aerosol Research and Inhalation Epidemiology Study (ARIES).
- Oxidized mercury cannot be detected by any instrument detection method – it must be converted into a measurable form. TVA scientists have developed a mercury conversion technology that is simpler and less expensive than traditional methods. TVA is seeking licensing opportunities for this technology.
- An open house was held in Lenoir City for TVA's newest "Near Zero Energy House." The 1,200-square-foot house was designed with specific focus on controlling indoor air quality, mold, mildew, and moisture. This is the fourth of five demonstration houses that are all-electric, energy-efficient, and provide power from photovoltaic panels to TVA's Green Power Switch® program.
- Construction began on the 16th solar facility for the Green Power Switch program. The latest facility is a 26-kW photovoltaic system on the roof of the Bridges Center in Memphis. The system will be connected to the TVA grid through a Memphis Light, Gas & Water substation.
- TVA helped 15 more marinas operating in the Tennessee River system to achieve Clean Marina certification, bringing the total to 39 Valley-wide. The TVA program has become a national model for helping marina owners adopt environmentally beneficial practices in areas such as boat refueling and sewage disposal.

ECONOMIC DEVELOPMENT

- TVA economic development efforts continued to support capital investment and job and income growth in the region, with several businesses and industries announcing new or expanded facilities:
 - Electricfil Automotive announced 75 new jobs and a \$5.3-million initial capital investment in Athens, Alabama, which will become the American headquarters for the French company. Electricfil is the European leader for ignition systems and specializes in engine management, transmission, and climate control sensors. TVA offered financial assistance to help purchase equipment.

- Toyota North America announced an expansion of its North Alabama engine plant in Huntsville where it will invest \$250 million and add 300 jobs. Construction is expected to begin in early 2005, with new production of V-8 engines for Toyota Tundra and Sequoia pickups to begin by 2006. This latest expansion almost doubles the size of the facility and brings the total capital investment to \$490 million since 2001. TVA provided technical and financial assistance.
- U.S. Gypsum Co., in Bridgeport, Alabama, announced a \$25-million expansion which is expected to be operational by spring 2005. The expansion will allow the Bridgeport facility to increase output but will not add employees immediately. The plant employs 179 people and currently produces 700 million square feet of wallboard annually.
- Walgreen's Health Initiatives announced plans in August for a Customer Care Center near Muscle Shoals, Alabama. The project will employ 500 people and have a capital investment of \$4 million. The Center will be the hub for many of Walgreen's operations, including pharmaceutical insurance, retail prescription drug coverage, and distribution. TVA provided technical assistance.
- Briggs & Stratton announced that it will expand its operations in Murray, Kentucky, and increase employment by about 80 jobs to more than 1,100 workers. The company will invest \$11 million to build a 65,000-square-foot building in Murray Industrial Park. When completed next July, the operation will be the world's largest small-engine production facility. TVA is working with state and county economic development officials to provide financial assistance.
- Electrolux Home Products announced a \$28-million expansion in Springfield, Tennessee, that will create 744 jobs by December. The Electrolux operation in Springfield is currently North America's largest maker of home-cooking products. TVA provided financial assistance, and the company is taking advantage of TVA's Enhanced Growth Credit programs. Electrolux will be Middle Tennessee's third largest manufacturer, employing 3,600 people.
- The Brunswick Boat Group will expand its operations in Knox and Monroe Counties in Tennessee. The \$22-million expansion will add 200 jobs. The decision to expand its local operations rather than facilities in Mexico also retains 510 jobs at the Tellico operation. TVA provided financial assistance.
- Remotec, Inc., the world's leading manufacturer of robots used by law enforcement and the military for bomb detection, will consolidate its operations in Clinton, Tennessee. The company chose to move its two Oak Ridge operations to an existing Clinton facility rather than relocate to the Maryland/Virginia area. The \$4-million capital project will retain 150 jobs and add 25 jobs.
- FCX Thompson Valves, a British manufacturer for the nuclear industry, will start a manufacturing operation in Blount County, Tennessee. The project will create 25 jobs and have an investment of \$10 million. The 30,000-square-foot facility will be operational in 16 months. The Blount County Partnership credited TVA with a crucial role in the company's commitment.

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- Gerdau Ameristeel announced that it will upgrade its facility in Knoxville to remain competitive and retain 330 jobs. The modernization includes construction of a 68,000-square-foot warehouse. The company recognized city, state, and TVA officials for their contributions.
- TMIO, a leader in “intelligent” appliances for consumers and institutional kitchens, will begin making TMIO Intelligent Ovens in Chattanooga by February 2005. The company will invest \$4 million to renovate the former Cavalier manufacturing facility and add space for offices and a high-end showroom. TVA provided technical assistance for the project that is expected to create 100 jobs within three years.

OTHER HIGHLIGHTS

- During fiscal year 2004, TVA issued more than \$9 billion in short-term debt through its weekly Internet-based electronic auction system, which resulted in an estimated interest savings of more than \$350,000 compared to issuing through traditional postings.
- TVA has reduced its office space portfolio by about 500,000 square feet since June 2001, generating savings of about \$20 million. At a public auction in November, TVA awarded the option to buy its East Tower building in Knoxville.
- TVA hosted 35 visitors from several nations during the fourth quarter. Delegations from China, Japan, Israel, and three African countries toured power facilities and program offices in the Chattanooga and Knoxville areas.
- TVA and representatives from the National Archives & Records Administration (NARA) have determined that collections of TVA photographs, archaeological reports, and other materials dating from the 1930s have U.S. historical value and will be released to NARA for preservation.
- The TVA Retirement System Board hired AllianceBernstein Institutional Management as a new investment manager. The firm will manage a portion of the retirement system’s assets in a core global equity portfolio.
- Radiation sensors were installed at Watts Bar Lock as part of a test by Oak Ridge National Laboratories for using the technology on the inland waterway system. The sensors are designed to detect the presence of radioactive materials aboard vessels going through the lock. Response protocols have been coordinated with TVA Police, Tennessee Homeland Security, and the local Joint Terrorism Task Force.
- Chickamauga Lock was dewatered and closed by the U.S. Army Corps of Engineers from July 28 to August 16. During the closure, extensive repairs were made and exploratory drilling was conducted for the new lock foundation. Preliminary tests indicate that stresses in the concrete continue to increase at an anticipated rate.

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- The TVA geographic information and engineering staff completed detailed geographic information system (GIS) databases covering 20 million acres of national forest lands in Arizona and New Mexico for the U.S. Forest Service. TVA's success in conducting the five-year project resulted in additional GIS work for TVA.
- Under contract to the Department of Defense, TVA completed start-up and testing of a Hot Gas Decontamination facility at Hawthorne Army Depot, in Hawthorne, Nevada. TVA developed the technology and designed the \$6.8-million plant for removing explosives residue from large, obsolete munitions and equipment so the metal can be safely recycled. An operating permit was issued by the state, and the facility will be turned over to the Depot in October.
- TVA received a patent for a new supercritical, thermodynamic power cycle, "Simple and Compact Low-Temperature Power Cycle." The technology uses working fluids other than water to recover and convert low-level heat (less than 1,000°F) into electric power in a cost-effective manner.

STATE NEWS

ALABAMA

- The Northwest Alabama Film Commission received a \$60,000 grant from the Economic Development Administration to help develop the video production industry in the Shoals. TVA helped the commission develop a plan for securing the grant.
- TVA provided \$3,000 to the Old School Project Committee in Boaz for restoration of an elementary school into a community center. The money will be used to upgrade the electrical wiring.
- TVA approved a loan to Chocolate Sensations, a small business in Huntsville that is expected to create 30 jobs within five years. TVA, Southtrust Bank, and the borrower each assume one-third of the Minority Business Development Loan.
- TVA closed a loan to Arab to help build a 26,748-square-foot facility for the Arab Business Incubator. The Sneed State Community College Distance Learning Center will be an anchor tenant at the \$1.5-million facility. During the past four years, Marshall County has lost more than 5,000 jobs, or 13 percent of its work force.
- Through a cooperative project between TVA and the Alabama Department of Conservation and Natural Resources, 1,200 feet of critically eroded shoreline at Lake Guntersville State Park was stabilized with riprap. This was the final phase of a four-year project that repaired 10,800 feet of shoreline fronting the park.
- A Finding of No Significant Impact (FONSI) was issued for the Decatur Boat Harbor proposal on Wheeler Reservoir. The city of Decatur proposes to build a riverboat moorage and boat launching facility on Wheeler at the old Ingalls Shipyard location.

- High river flows during September dislodged large amounts of aquatic vegetation at Guntersville Reservoir, creating large floating mats. TVA used an aquatic harvester to remove mats that impacted several commercial marinas and public boat ramps.

KENTUCKY

- TVA staff met with the Board of Directors of the South Kentucky Industrial Development Association to discuss economic development initiatives. Seven of the 12 distributors of TVA power that are members of the organization participated.
- TVA completed a report for the U.S. Forest Service on a “Comprehensive Management Strategy for the Characterization and Cleanup of Abandoned Coal Mining Features in the Daniel Boone National Forest.” TVA is working under contract to help the national forest remediate abandoned mining features that are adversely impacting the forest.
- TVA made a presentation at the Tri-County Electric Membership Corporation Board’s meeting at Dale Hollow State Park. The co-op leadership was given an overview of new initiatives in marketing, existing industry, and technical services.
- TVA provided building and site conceptual designs for a prospect interested in a location in Trigg County. The Cadiz-Trigg County Economic Development Commission requested the work and TVA staff participated in the prospect visit.
- TVA helped sponsor the Kentucky Institute for Economic Development in Lexington. More than 40 people participated in the workshop on practical approaches for economic development.

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MISSISSIPPI

- The Community Development Foundation in Tupelo committed to fund construction of a \$3-million business incubator in the downtown Fairpark District. The facility will house 36 private sector start-up businesses ranging from light manufacturing to service companies. The project is supported by TVA, the Appalachian Regional Commission, U.S. Department of Agriculture, Economic Development Administration, and state and local governments.
- TVA is participating in Team MS, an industrial recruitment initiative by the Mississippi Development Authority (MDA). The partnership combines the resources of MDA with the state’s three electric companies – Entergy, Mississippi Power, and TVA. This effort is an outgrowth of the recent Synchronist existing industry program.

TVA hosted a discussion on technology transfer with representatives from the Oak Ridge National Laboratory as part of the Mississippi Crescent Initiative.

- The East Central Mississippi Economic Council (ECMEC) and TVA hosted site selection consultants from Chicago; Birmingham; Nashville; and Greenville, South Carolina. ECMEC began the initiative for automotive-related industries but has broadened the scope to include forestry-related industries, distribution, food processing, poultry, and high technology. TVA provided helicopter tours of sites.
- TVA hosted a discussion on technology transfer with representatives from the Oak Ridge National Laboratory as part of the Mississippi Crescent Initiative. Regional university representatives, business incubator managers, congressional staffers, and private sector leaders participated.
- TVA helped form a partnership among Tishomingo, Itawamba, Monroe, and Lowndes counties to develop a marketing strategy for attracting boat manufacturing industries to the area along the Tennessee-Tombigbee Waterway.

NORTH CAROLINA

- TVA was recognized for its contributions to improvements at the Swain County Old 288 Riverside Park. Attendees included Congressman Taylor and Dale Ditmanson, superintendent of Great Smoky Mountains National Park.
- A TVA stream assessment crew worked with North Carolina Wildlife Resources Commission to sample six sites in the upper Nolichucky River watershed. The TVA crew delivered hundreds of aquatic insect samples to the North Carolina State Museum for future scientific studies.
- TVA and the Hiwassee River Watershed Coalition conducted sediment and erosion control workshops in Murphy and Brasstown for developers and grading/cleaning contractors. A fall workshop on the benefits of riparian buffers and water quality protection will target realtors in the upper Hiwassee watersheds.

TENNESSEE

- Public comments received on TVA's proposed Watts Bar Reservoir Land Plan reflected public interest in a range of land uses, including recreation, economic development, and conservation. Several comments focused on the former Breeder Reactor site in Oak Ridge and on properties in the lower reaches of the reservoir. Specific land use proposals from the public will be considered during the planning process.
- TVA closed a loan to purchase equipment as part of the expansion at Petrostone Industries in Loudon County. The loan was part of a participation agreement with First Community Bank for the \$1.3-million project that will create 60 jobs. The plant makes engineered stone flooring and countertops.

**TVA closed a loan to Camel
Manufacturing for an
equipment purchase that
will add 175 jobs.**

- Replacement of concrete decking and repairs to the steel superstructure on the Tennessee Highway 68 bridge over Watts Bar Dam began during the quarter. The bridge near Spring City will be closed about five months while the work is done in partnership with the Tennessee Department of Transportation and the Federal Highway Administration.
- Rich Products Corporation broke ground for a major expansion of its operations in Arlington. The company will expand the plant to 151,000 square feet and build a 120,000-square-foot frozen product warehouse by 2005. Rich's makes and distributes non-dairy topping and creamer products. TVA provided financial and technical assistance for the project that will add 130 jobs.
- TVA closed a loan for the location of Permalife Tennessee, Inc., in Union County. The \$1.7-million project will create 70 jobs. The company makes cast polyurethane custom-finished products used in the building and home improvement industry.
- TVA approved a loan for the Manufacturer's Industrial Group (MIG) of Dyersburg for an expansion that will add 100 jobs. The loan will be used to buy a building for manufacturing and storage. MIG is a minority-owned automotive supplier.
- TVA closed a loan to Camel Manufacturing for an equipment purchase that will add 175 jobs at its operations in Campbell and Fentress counties. The woman-owned company has a Department of Defense contract for modular tent systems for the military.
- TVA approved a loan for IMC in Erwin to purchase equipment for a \$600,000 expansion that will add 40 jobs. IMC is a minority-owned aluminum metal fabrication company primarily for the auto industry.
- The Lawrence County Chamber of Commerce is working with TVA and others to develop and implement a retail strategy for their community.
- TVA approved a loan for Metron North America in Knox and Anderson counties that will help fund renovations for a state-of-the-art distribution center in Andersonville and expansion of its headquarters in Knoxville. The \$12-million project will add 490 jobs. The locally owned company distributes and services consumer electronics.
- TVA approved a loan to assist with the location of Phoenix Closures, Inc., in Cocke County. The loan will help buy equipment and complete renovations at the Newport plant, which makes molded plastic tops and caps for the food industry. The \$6.2-million project will create 60 jobs.
- TVA and Tri-County Electric Membership Corporation partnered with the Hartsville-Trousdale County Chamber of Commerce to sponsor an industrial appreciation event, which resulted in two potential expansion prospects.

**TVA held a Tennessee Growth
Readiness workshop for
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- TVA supported the 5th Annual Beaver Creek Cleanup sponsored by the Beaver Creek Watershed Alliance in the Bristol area. About 180 volunteers collected more than five tons of trash and litter. TVA provided \$700 for the event, as well as bags and gloves.
- TVA held a Tennessee Growth Readiness workshop for planning and public works officials from seven Memphis-area communities. The director of the Shelby County Office of Planning and Development invited the group to recommend rule changes that will help growing communities protect water resources. The group will make recommendations by January 2005.
- TVA treated 68 acres of nuisance aquatic plant growth in Nickajack Reservoir in accordance with a stakeholder-developed aquatic plant management plan. TVA used a mechanical harvester to clear boating access lanes to residential, commercial, and public facility areas.
- TVA is working with the Beaver Creek Task Force to develop a watershed plan for Beaver Creek in Knox County. This rapidly urbanizing watershed is being degraded by excessive sedimentation, nutrients, and habitat alteration.
- TVA joined with volunteers for the annual Tire Round-up sponsored by the Clinch River Chapter of Trout Unlimited to remove discarded tires from the Clinch River. The work focused on a half-mile stretch of river in Anderson County where more than 200 tires were collected and taken to Anderson County's tire recycle center. In the past three years, more than 5,000 tires have been removed.
- As a part of annual stream sampling activities, TVA crews retained fish for the University of Tennessee's fish tissue collection. The collection is a source for researchers studying fish population genetics and for TVA data analysis.
- TVA worked with stakeholders during FY 2004 to stabilize five critically eroding shorelines on South Holston, Boone, Fort Patrick Henry, and Cherokee reservoirs.
- Pickwick State Park Marina was certified as a Tennessee Valley Clean Marina. The marina installed an oil-recycling center and is the first state park in Tennessee to be certified as a Tennessee Valley Clean Marina.
- TVA conducted a strategic planning session for the Cookeville/Putnam County Chamber of Commerce. Matt Kisber, state Commissioner of Economic and Community Development, was among the 45 attendees. Action plans were developed for economic and community development, leadership, and tourism.

- A loan was approved for the Industrial Development Board of Dyersburg. The TVA loan will finance a 100,000-square-foot speculative industrial building.
- An energy savings program installed by TVA at two state office buildings in Nashville has cut energy consumption by 55 percent at the sites. The Energy Savings Performance Contract includes a lighting retrofit, heating and cooling system upgrades, and installation of an energy management system. The \$4-million capital investment will pay for itself within five years through the savings.
- TVA approved a loan for the Northwest Tennessee Regional Port Authority, a consortium operated by Lake, Dyer, and Obion counties. The loan will help purchase 150 acres for port development at Cates Landing Industrial Park. The combination of port, rail, and interstate access will help attract heavy industrial operations.
- TVA and the University of Tennessee Manufacturing Services are helping Worldwide Lines expand into a new facility in Covington. Industrial engineers provided a plant layout at no cost. Worldwide prints logos on items such as coffee mugs, mouse pads, and plates. The \$5-million expansion project will add 90 jobs.
- TVA is helping Lewis County prepare a strategic plan for economic development. Similar plans were done for Morgan and Fayette counties, and TVA is assisting Hickman, Macon, Marshall, and Polk counties with their plans.
- Two Chattanooga companies, Tricycle and Smart Furniture, received funding from the Southern Appalachian Fund, a venture capital fund in which TVA is an investor. Both companies have exhibited growth potential and strong management teams.

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VIRGINIA

- TVA provided \$5,000 to the Upper Tennessee River Roundtable to conduct the first regional stream cleanup event for the Tennessee River watershed area in Virginia. TVA, Clean Virginia Waterways International, Coastal Cleanup, the Upper Tennessee River Roundtable, six Virginia Soil and Water Conservation Districts, and 15 local watershed groups organized and implemented the cleanup.